Merger of R.R.B.'s with sponsoring Banks

127. SHRI P. UPENDRA: Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposal under Government's consideration to merge the regional rural banks with the sponsoring nationalised commercial banks;

(b) whether it is a fact that the Planning Commission has opposed this proposal; and

(c) if so, what is the final decision of Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) No, Sir.

(b) and (c) Do not arise.

Utilisation of World Bank loans

128. SHRI PARMESHWAR KUMAR AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) what are the plans to utilise the World Bank loan already taken/proposed to be taken, giving the details of infrastructure thus create; and

(b) what steps are being taken to generate adequate funds to repay the interest accrued thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) World Bank assistance, consisting of loans from the International Bank for Reconstruction & Development and credits from International Development Association, are taken for both sectoral adjustment programmes and for project-basis financial packages. Infrastructure development is thus involved only where such components form part of projects in the major construction-oriented sectors.

The repayment of loans and credits and related charges including interest generated thereon is not a direct function of development-oriented project packages, but is addressed separately under debt servicing strategies of Government of India.

Recovery of loan from Laxmi Laboratories

129. SHRI SUBRAMANIAN SWAMY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Bank of Baroda's Overseas Branch in New York has filed a claim against Laxmi Laboratories owned by two New York based NRIs for the recovery of eight lakh rupees loan extended to the company in 1984 to procure a colour processing laboratory machine;

(b) if so, the details thereof;

(c) the names of the persons who stood surety/guarantee for the said loan; and

(d) what is the present status of the case?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) and (b) No, Sir. However, M/s. Laxmi Laboratories have filed a claim for US $ 6345/.90 against the Royal Insurance Company and the Bank of Baroda at New York. Bank of Baroda have filed a suit in the Delhi High Court on 14.12.1987 for recovery of its dues amounting to Rs. 14.04 lacs.

(c) Mr. Deepak Darbari and Mr. Shankar Darbari stood surety/ guarantee for the said loan.

(d) The next date of hearing in the Civil suit filed by Bank of Baroda has been fixed for 14.12.1992.

Opening up of the Indian Capital Markets to Foreign Institutions

130. SHRI KAMAL MORARKA:
SHRI CHATURANAN MISHRA
SHRI N.E. BALARAM:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have since decided to open up Indian capital